

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6959**

**BILL NUMBER:** HB 1685

**NOTE PREPARED:** Dec 29, 2002

**BILL AMENDED:**

**SUBJECT:** Employee Personnel Records.

**FIRST AUTHOR:** Rep. Liggett

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that upon written request from an employee, an employer shall provide the employee with an opportunity to review the employee's personnel records on a periodic basis. It provides a procedure if the employee disagrees with the information contained in the personnel record.

The bill prohibits an employer from gathering or keeping a record of an employee's associations, political activities, publications, or communications of activities outside employment, subject to certain exceptions. The bill provides that if an employer has reasonable cause to believe that an employee is engaged in criminal activity that may result in loss or damage to the employer's property or disruption of the employer's business operation, and the employer is engaged in an investigation, then the employer may keep a separate file of information relating to the investigation.

The bill also provides that a court shall award damages to the employee if the employer violates any of these provisions. The bill provides that information concerning findings of fact and decisions in which final action was taken and that resulted in the discharge or suspension without pay of a public employee is a public record.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** This bill could have a slight impact on state agencies insofar as it may require changes in the agencies' management of employment records. The bill specifies what types of information may be included in an employment record and specifies procedures for disagreements over the contents of employee records. Under current law, public employees and their agents have the right to view their individual personnel files.

**Explanation of State Revenues:** *Court Fee Revenue:* The bill provides that an employee may commence a civil action in a circuit or superior court against an employer that is in violation of the bill's provisions. If additional civil actions occur, revenue to the state General Fund may increase if court fees are collected. A civil filing fee of \$100 would be assessed when a civil case is filed. 70% of the filing fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

**Explanation of Local Expenditures:** The provisions in the bill described above would also apply to local units that have at least four employees.

**Explanation of Local Revenues:** *Court Fee Revenue:* If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 filing fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund.

**State Agencies Affected:** All; Criminal justice agencies.

**Local Agencies Affected:** All; Courts; Criminal justice agencies.

**Information Sources:** Public Access Counselor.

**Fiscal Analyst:** John Parkey, 317-232-9854